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BEFORE THE ARIZONA CORPORATION COMMISSION

GARY PIERCE, Chairman BOB STUMP SANDRA D. KENNEDY PAUL NEWMAN BRENDA BURNS

IN THE MATTER OF THE APPLICATION OF)
TUCSON ELECTRIC POWER COMPANY FOR)
APPROVAL OF ITS 2011-2012 ENERGY)
EFFICIENCY IMPLEMENTATION PLAN)

DOCKET NO. E-01933A-11-0055

SWEEP COMMENTS

SWEEP is extremely concerned about the deep cuts to Tucson Electric Power Company's (TEP) existing energy efficiency (EE) programs. These cost-effective EE programs deliver substantial benefits and provide important opportunities that enable customers to gain control over their energy use and reduce their utility bills. SWEEP encourages the Commission to identify and implement a viable solution as soon as possible.

SWEEP's prior comments in this docket, filed on April 9, 2012, documented that in 2012, *existing* EE programs are being significantly downsized compared with actual 2011 levels. Overall, EE investment is being cut in half from \$11.3 million in 2011 to \$5.6 million in 2012. In addition, investments in almost every existing EE program are being slashed

dramatically (with the exception of low income weatherization). As a result, many programs are already closed or suspended. Furthermore, no new EE programs will be launched.

To address this situation, SWEEP is strongly in favor of moving forward with an EE Plan in a timely manner to assist TEP customers to reduce their utility bills – and to do so long before the conclusion of TEP's next general rate case. Specifically, SWEEP is largely in favor of the Updated EE Plan filed by TEP on May 2, 2012, as a framework that supports the Company's efforts to work with and meet the needs of its customers.

For these reasons, SWEEP encourages the Commission to focus the scope of the evidentiary hearings on the TEP Updated Plan. SWEEP understands that other parties may want to address additional issues directly related to TEP's energy efficiency implementation, and they should be allowed to do so. But the primary focus of the evidentiary hearing should be on the Updated Plan filed by TEP on May 2, 2012.

Focusing the evidentiary hearing on the Updated EE Plan should result in enhanced EE programs and adequate budgets being available for TEP customers by October 2012, consistent with TEP's estimate in its May 2, 2012 filing. In contrast, if the EE implementation plan issues were deferred to the TEP rate case, customers would not receive the benefits of the Updated Plan EE programs until mid 2013 at the earliest. Such a delay is not in the interest of TEP customers and would only further disadvantage customers.

In closing, SWEEP recommends that the Commission resolve this issue as soon as possible *in this docket*, with a focus on the TEP Updated Plan, and *not* in the upcoming TEP rate case proceeding.

RESPECTFULLY SUBMITTED this 3rd day of May, 2012.

ARIZONA CENTER FOR LAW IN THE PUBLIC INTEREST

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ORIGINAL and 13 COPIES of the foregoing filed this 3rd day of May, 2012, with:

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COPIES of the foregoing Electronically mailed this 3rd day of May, 2012 to:

All Parties of Record

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